

Me-Dian Credit Union of Manitoba Limited
Summary Financial Statements
For the Year Ended December 31, 2020

Report of the Independent Auditor on the Summary Financial Statements



To the Members of Me-Dian Credit Union of Manitoba Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2020, and the summary statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited financial statements of Me-Dian Credit Union of Manitoba Limited (the "Credit Union") for the year ended December 31, 2020.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1 to the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 16, 2021.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1 to the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Winnipeg, Manitoba

March 16, 2021

MNP LLP
Chartered Professional Accountants

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union.

Me-Dian Credit Union of Manitoba Limited
Summary Statement of Financial Position
As at December 31, 2020

	2020	2019
Assets		
Funds on hand and on deposit	4,553,923	7,495,855
Investments	40,588,076	6,763,498
Members' loans receivable	32,057,200	34,937,486
Income taxes recoverable	-	35,762
Other assets	36,802	38,817
Property, equipment and intangible assets	1,286,305	1,465,858
Asset held for sale	607,083	260,783
	79,129,389	50,998,059
Liabilities		
Members' savings and deposits	74,633,192	47,100,019
Accounts payable	275,934	240,802
Income taxes payable	74,664	-
Deferred tax liability	14,000	44,000
	74,997,790	47,384,821
Members' equity		
Retained surplus	3,767,938	3,229,466
Members' shares	363,661	383,772
	4,131,599	3,613,238
	79,129,389	50,998,059

Approved on behalf of the Board of Directors

Signed "Tanis Wheeler"

Signed "Damon Johnston"

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Me-Dian Credit Union of Manitoba Limited
Summary Statement of Comprehensive Income
For the year ended December 31, 2020

	2020	2019
Financial Income		
Interest from members' loans	1,763,712	1,810,065
Investment income	532,370	641,384
	2,296,082	2,451,449
Cost of funds	290,654	300,121
Financial margin	2,005,428	2,151,328
Operating expenses		
Administration	887,105	1,043,253
Member security	42,500	45,000
Occupancy	413,979	415,393
Organizational	49,084	93,031
Personnel	1,071,566	1,620,477
Gross operating expenses	2,464,234	3,217,154
Other revenue	(1,327,537)	(1,704,303)
Net operating expenses	1,136,697	1,512,851
Income from operations before provision for loan losses	868,731	638,477
Provision for loan losses	225,000	243,301
Income before provision for income taxes	643,731	395,176
Provision for income taxes	105,259	30,000
Total comprehensive income for the year	538,472	365,176

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Me-Dian Credit Union of Manitoba Limited
Summary Statement of Changes in Members' Equity
For the year ended December 31, 2020

	<i>Members' shares</i>	<i>Retained surplus</i>	<i>Total equity</i>
Balance December 31, 2018	401,335	2,864,290	3,265,625
Income and comprehensive income for the year	-	365,176	365,176
Issuance of members' shares	2,435	-	2,435
Redemption of members' shares	(19,998)	-	(19,998)
Balance December 31, 2019	383,772	3,229,466	3,613,238
Income and comprehensive income for the year	-	538,472	538,472
Issuance of members' shares	2,360	-	2,360
Redemption of members' shares	(22,471)	-	(22,471)
Balance December 31, 2020	363,661	3,767,938	4,131,599

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Me-Dian Credit Union of Manitoba Limited
Summary Statement of Cash Flows
For the year ended December 31, 2020

	2020	2019
Operating activities		
Interest received from members	1,800,790	1,765,198
Investment income	454,317	582,602
Income taxes paid	(24,833)	(17,189)
Interest paid to members	(251,347)	(227,039)
Operating expenses paid	(2,216,697)	(3,047,837)
Other income received	1,327,537	1,704,303
	1,089,767	760,038
Financing activities		
Net change in members' savings and deposits	27,493,866	14,692,014
Issuance of members' shares	2,360	2,435
Redemption of members' shares	(22,471)	(19,998)
	27,473,755	14,674,451
Investing activities		
Net change in members' loans receivable	2,271,908	(9,312,491)
Net change in investments	(33,746,525)	(712,990)
Purchases of property, equipment and intangible assets	(30,837)	(98,953)
Proceeds on disposal of property, equipment and intangible assets	-	705
	(31,505,454)	(10,123,729)
Increase (decrease) in cash resources	(2,941,932)	5,310,760
Funds on hand and on deposit, beginning of year	7,495,855	2,185,095
Funds on hand and on deposit, end of year	4,553,923	7,495,855

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Me-Dian Credit Union of Manitoba Limited
Note to the Summary Financial Statements
For the year ended December 31, 2020

1. Basis of presentation of the summary financial statements

Management has prepared the summary financial statements from the December 31, 2020 audited financial statements of Me-Dian Credit Union of Manitoba Limited (the "Credit Union"), which can be obtained at the Credit Union. The detailed notes included in the audited financial statements are not included in these summary financial statements.

2. Compliance with minimum capital and liquidity requirements

The Credit Union is in compliance with the capital and liquidity reserve requirements at December 31, 2020 established by the Regulations to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited financial statements and notes for the year ended December 31, 2020, which contain the information detailing the calculation.

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